

Milan – March 12th, 2024

TOD'S S.p.A. – Double-digit growth of revenues and improvement of profitability in fiscal year 2023. Revenues: 1,126.7 mln euros, EBIT: 94.7 million euros, net income: 50 mln euros.

The Board of Directors approved the draft of 2023 Annual Report

Sales revenues: 1,126.7 million Euros, +11.9% from FY2022

EBIT: 94.7 million Euros, or 8.4% of sales

Group's Net Result: 50 million Euros, or 4.4% of sales

Net Financial Debt¹: 89.7 million Euros

Amendment to 2024 Financial Calendar

The Board of Directors of Tod's S.p.A., the Italian company listed on the Milan Stock Exchange and holding of the luxury goods group of the same name operating in luxury and quality shoes, accessories and apparel with the Tod's, Roger Vivier, Hogan and Fay brands, today approved the draft of the Group's Annual Report for the fiscal year 2023.

Message of the Group's Chairman and CEO

Diego Della Valle, Chairman and CEO of the Group, commented as follows:

"I am very pleased with the results released today; in FY2023 our Group recorded double-digit growth in revenues and a strong improvement in profitability. At constant exchange rates, all brands grew double digits. We are very pleased to have achieved our yearly targets, even within a challenging international macroeconomic environment.

These results confirm the goodness of the strategy we are following to make our products increasingly special, of great quality and very desirable. The next few years will see us committed to the consolidation of individual brands, and this is also why we felt strategically important to share this project with the L Catterton investment firm by leaving the Stock Exchange, an institution with which we have always had excellent relations.

We confirm our great commitment to all issues related to sustainability and to all initiatives aimed at improving the well-being of our employees, while promoting many projects and initiatives useful for improving people's quality of life.

I would like to take this opportunity to congratulate and thank all our collaborators and employees for the excellent results achieved also thanks to their valuable support and loyalty."

¹ The figure doesn't include the Lease Liabilities, as detailed at page 6 of this document.

Comments to the Group's sales

In fiscal year 2023, Tod's Group consolidated sales were 1,126.7 million Euros, up 11.9% from FY 2022. At constant exchange rates, i.e. using the same average exchange rates as in FY 2022, including the effects of hedging, the Group's revenues would amount to 1,147.5 million Euros, up 14.0% from FY 2022.

These figures imply a growth of 7.5% in the fourth quarter, at constant rates, driven by the retail channel (+11.9%).

Breakdown of consolidated sales by brand - double-digit growth of all brands at constant rates; outstanding performance of Roger Vivier

(million Euros)

	FY2023		FY 2022	% change	
	reported rates	constant rates		reported rates	constant rates
Tod's	562.9	575.2	510.0	+10.4%	+12.8%
Roger Vivier	286.7	293.7	246.0	+16.5%	+19.4%
Hogan	214.2	215.7	195.9	+9.3%	+10.1%
Fay	60.4	60.4	53.4	+13.2%	+13.1%
Other	2.5	2.5	1.7	n.m.	n.m.
TOTAL	1,126.7	1,147.5	1,007.0	+11.9%	+14.0%

All the Group's brands recorded, at constant exchange rates, double-digit growth in revenues in the 2023 financial year.

Excellent results for the Tod's brand, increasingly appreciated for its refined and modern style; its iconic products are increasingly loved by a growing number of customers of all age groups internationally. The Roger Vivier brand also performed very well, recording a solid double-digit growth rate again in this financial year and maintaining, at the same time, its exclusive positioning in the highest segment of luxury products. We are also satisfied with what the Hogan and Fay brands have done; the trend of their revenues obviously reflects their strong exposure to the European markets and the wholesale channel.

Breakdown of consolidated sales by product category - strong performance of leather goods and accessories; double-digit growth in all categories

(million Euros)

	FY 2023		FY 2022	% change	
	reported rates	constant rates		reported rates	constant rates
Shoes	857.8	873.0	776.9	+10.4%	+12.4%
Leather goods and accessories	187.3	192.4	160.6	+16.6%	+19.8%
Apparel	79.1	79.6	67.8	+16.7%	+17.4%
Other	2.5	2.5	1.7	n.m.	n.m.
TOTAL	1,126.7	1,147.5	1,007.0	+11.9%	+14.0%

All product categories recorded solid sales growth.

We are particularly satisfied with the excellent customer feedback on the iconic products of the brands, in all categories and at an international level.

Breakdown of consolidated sales by region - growth in all regions; outstanding results in the Group's main markets

(million Euros)

	FY 2023		FY 2022	% change	
	reported rates	constant rates		reported rates	constant rates
Italy	263.9	263.9	251.7	+4.9%	+4.9%
Europe (excl. Italy)	239.6	239.4	216.7	+10.5%	+10.4%
Americas (*)	85.0	85.6	82.1	+3.5%	+4.3%
Greater China (**)	356.7	368.1	287.2	+24.2%	+28.2%
Rest of World	181.5	190.5	169.3	+7.2%	+12.5%
TOTAL	1,126.7	1,147.5	1,007.0	+11.9%	+14.0%

(*) This line includes the whole American continent (Northern and Southern America).

(**) This line includes: mainland China, Hong Kong SAR, Macao SAR and Taiwan Region

Revenues grew in all geographical areas, with particularly brilliant results in the Group's main markets.

The domestic and European markets confirmed double-digit growth in the retail channel, thanks to the strength of local demand and significant purchases by tourists; the wholesale channel, however, was influenced, particularly in the fourth quarter, by the different timing of deliveries between the two financial years.

The American market recorded higher revenues in the financial year than last year, with a progressively improving trend in recent months.

In line with the trend of the sector, the Chinese market has shown some volatility in results during individual quarters, due to the different basis for comparison in 2022; in the year, revenues from this area recorded solid double-digit growth, also compared to 2021.

The performance of the "Rest of the World" area was also positive, driven by the excellent results of Japan.

Breakdown of consolidated sales by distribution channel - growth on both channels

(million Euros)

	FY 2023		FY 2022	% change	
	reported rates	constant rates		reported rates	constant rates
Retail (DOS+online)	841.8	862.7	743.3	+13.2%	+16.1%
Third parties (Franchised stores + Independent retailers))	284.9	284.8	263.7	+8.1%	+8.0%
TOTAL	1,126.7	1,147.5	1,007.0	+11.9%	+14.0%

Both sales channels recorded excellent results during the year.

The retail channel, which represents approx. 75% of the Group's turnover, recorded solid double-digit growth.

Revenues from e-commerce are also growing, having reached an important critical mass, also thanks to the investments made by the Group in the digital world.

As of 31 December 2023, the Group's distribution network consists of 345 DOS and 99 franchised stores, compared to 333 DOS and 89 franchised stores as of 31 December 2022.

Revenues from the wholesale channel also grew during the year; the performance of the fourth quarter is due to the impact of the different timing of shipments in different years, which, as mentioned several times, makes the quarterly analysis of revenues from this channel of little significance.

Comments on the Profit & Loss key figures

The Group's industrial margin and operating results improved significantly also this fiscal year, confirming the soundness of the strategic path underway: revenue growth generates improvements in production, logistics and distribution efficiency.

Costs for services grew physiologically to the increase in production volumes, and the overall incidence on sales rose to 29.2% in 2023 (up from 27.8% in 2022). Rental costs increased slightly in absolute terms, but their incidence on sales fell from 6.5% in 2022 to 6.1% in 2023. Personnel costs also experienced similar dynamics; their incidence on sales dropped to 22.6%, from 23.2% in 2022, despite the increase of the Group's workforce².

In 2023, EBITDA amounted to 253.9 million euros, with a margin on sales of 22.5%, up by more than two percentage points from 20.6% in 2022.

The overall impact on sales of depreciation and amortization (including depreciation on Right-of-use Assets, which amounted to 113.5 million euros in 2023, compared to 104.7 million euros in 2022) decreased slightly.

Operating income (EBIT) is positive at 94.7 million euros in 2023, which is almost double the value in 2022, and equal to a margin of 8.4% on sales, an improvement of about 250 basis points compared to the EBIT margin in 2022.

The impact of currencies is not meaningful; at constant exchange rates, EBITDA and EBIT would show a value of 258.1 million euros and 94.3 million euros, respectively.

The Group's pre-tax result, net of the result of financial operations (which includes 19.6 million euros in financial expenses related to the application of IFRS16) is 68.3 million euros, more than double the balance of 29 million euros in 2022.

Consolidated net income for 2023, net of current and deferred taxation for the period, is 50 million euros, more than double the value of net income for 2022.

² The Group has 5,211 employees as of December 31st, 2023, compared to 4,925 as of December 31st, 2022.

Comments on the Balance Sheet and Cash Flow key figures

In fiscal 2023, fixed asset investments amounted to 55.8 million euros, up 10 million euros from 45.8 million euros last year. As always, most of the resources were allocated to the expansion and renovation of the DOS network; the rest of the investments are related to the continuous modernization at the industrial level and corporate structure level, with special emphasis on digital development.

Net operating working capital stood at 362.7 million euros as of December 31st, 2023 and compares with a figure of 283.5 million as of December 2022. The growth in inventory is mainly driven by the increase in finished products of the Spring/Summer 2024 collections, which were shipped to customers and stores during the months of January/February; this is due to the improved production efficiency and timing, compared to the corresponding season of the previous year.

Lease liabilities, recorded in accordance with IFRS 16, amounted to 522.5 million euros as of December 31st, 2023 compared to 483.9 million euros as of December 2022.

Excluding these liabilities, Net Financial Debt as of December 31st, 2023 was 89.7 million euros, which compares with a value of 71.1 million euros at the end of 2022.

Total Net Financial Debt was 612.2 million euros as of as of December 31st, 2023, compared to 555 million euros as of December 2022.

Group Shareholders' Equity as of as of December 31st, 2023 was 1,090.6 million euros, which compares with 1,041.4 million euros at the end of 2022.

Comments on the key figures of the Parent Company Tod's SpA

The Board of Directors also approved the draft of the 2023 Annual Report for the parent company Tod's SpA, whose sales were 722.2 million Euros, up 10.9% from the 651.2 million Euros sales of 2022.

Net result was 39 million Euros; income per share was equal to 1.18 Euros.

In 2023, the parent company invested a total amount of 24.2 million Euros in tangible and intangible fixed assets, which compares to 19.4 million Euros invested in the previous year.

Excluding lease liabilities, as of December 31st, 2023 the parent company's Net Financial Debt was 174.6 million Euros, compared to 158.8 million Euros of 2022.

The shareholders' equity of the parent company was 932.9 million Euros, which compares to 899.5 million Euros as of December 31st, 2022.

Dividend proposal

In compliance with the Framework Agreement signed in connection with the Tender Offer launched on February 10th, 2024 on Tod's S.p.A. shares, the Board decided to propose to the Shareholders' Meeting not distribute dividends.

This proposal will be submitted to the approval of the Ordinary Shareholders' Meeting, convened on first call for April 24th, 2024, at the Company's Registered Office, and, if necessary, on second call for May 24th, 2024.

Other resolutions

Also today, the Board of Directors approved (i) the Report on Corporate Governance and Ownership Structure for the year 2023, prepared pursuant to Article 123-bis of Legislative Decree No. 58/1998 ("TUF"); (ii) the Report on Remuneration Policy and Compensation Paid prepared pursuant to Article 123-ter of Legislative Decree No. Legislative Decree no. 58/98.

The aforementioned documents will be made available to the public, together with the Annual Financial Report as of December 31st, 2023, including the consolidated non-financial statement pursuant to Legislative Decree No. 254/16 and the Reports of the Board of Statutory Auditors and the Independent Auditors) within the legal deadlines at the registered office, on the Company's website at www.todsgroup.com and on the authorized storage mechanism linfo at www.linfo.it.

Amendment to 2024 Financial Calendar

Due to the significant change planned in the Board of Directors, in compliance with the Framework Agreement signed in connection with the Tender Offer launched on February 10th, 2024 on Tod's SpA shares, it was deemed appropriate to delay the date of approval of the sales figures for the first three months of 2024 from April 24th, 2024 to May 15th, 2024, in order to allow the new directors to take a full view of the documents on which they are called upon to deliberate.

Please note that the audit process on the data presented in this press release has not been completed yet.

The manager responsible for preparing the company's financial reports, Mr. Rodolfo Ubaldi, declares, pursuant to article 154 bis, paragraph 2, of Legislative Decree n. 58/98 (the "Unified Financial Act"), that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Should you need explanations, please contact: Investor Relations Office - tel. +39 02 77 22 51
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TOD'S Group

Consolidated Income Statement

Unaudited

euro 000's	FY 23	FY 22
Revenue		
Sales revenue	1,126,689	1,006,979
Other income	18,048	20,086
Total revenue and income	1,144,736	1,027,065
Operating Costs		
Change in inventories of work in progress and finished goods	65,814	35,591
Cost of raw materials, supplies and materials for consumption	(265,190)	(242,267)
Costs for services	(328,445)	(280,326)
Costs of use of third party assets	(68,966)	(65,634)
Personnel costs	(254,098)	(234,055)
Other operating charges	(36,777)	(32,629)
Amortisation and depreciation	(157,964)	(147,794)
Write downs/Reversing of assets	(4,396)	(1,723)
Total operating costs	(1,050,022)	(968,837)
EBIT	94,714	58,228
Financial income and expenses		
Financial income	43,833	49,958
Financial expenses	(70,248)	(79,150)
Total financial income (expenses)	(26,416)	(29,192)
Income (losses) from equity investments		
Profit before taxes	68,298	29,036
Income taxes	(18,281)	(5,971)
Profit/(loss) for the period	50,018	23,065
EPS (in euro)	1.51	0.70
EPS diluted (in euro)	1.51	0.70

TOD'S Group
Consolidated Statement of Comprehensive Income

Unaudited

euro 000's	Year 23	Year 22
Profit (loss) for the period (A)	50,018	23,065
Other comprehensive income that will be reclassified subsequently to profit and loss:		
Gains/(Losses) on derivative financial instruments (cash flow hedge)	(4,070)	14,115
Gains/(Losses) on currency translation of foreign subsidiaries	4,233	8,011
Gains/(Losses) on net investments in foreign operations	(619)	(3,265)
Total other comprehensive income that will be reclassified subsequently to profit and loss (B)	(455)	18,861
Other comprehensive income that will not be reclassified subsequently to profit and loss:		
Cumulated actuarial gains/(losses) on defined benefit plans	(161)	964
Total other comprehensive income that will not be reclassified subsequently to profit and loss (C)	(161)	964
Total Comprehensive Income (A) + (B) + (C)	49,401	42,890

TOD'S Group

Consolidated Statement of Financial Position

Unaudited

euro 000's	12.31.23	12.31.22
Non current assets		
<i>Right of use assets</i>		
Right of use assets	498,724	467,787
Total Right of use assets	498,724	467,787
<i>Intangible fixed assets</i>		
Assets with indefinite useful life	554,234	554,234
Other intangible assets	31,189	28,012
Total Intangible fixed assets	585,422	582,245
<i>Tangible fixed assets</i>		
Buildings and land	50,549	52,307
Plant and machinery	9,894	8,909
Equipment	11,169	11,345
Leasehold improvement	37,071	33,007
Others	37,717	36,016
Total Tangible fixed assets	146,400	141,584
<i>Other assets</i>		
Investment properties	1	5
Deferred tax assets	111,674	110,601
Others	23,954	22,902
Derivative financial instruments	1,370	6,472
Total other assets	136,999	139,979
Total non current assets	1,367,545	1,331,596
Current assets		
Inventories	422,334	357,660
Trade receivables	106,417	96,432
Tax receivables	15,217	16,587
Derivative financial instruments	11,258	9,877
Others	91,840	81,707
Cash and cash equivalents	84,817	167,709
Total current assets	731,883	729,971
Total assets	2,099,429	2,061,566

to be continued

euro 000's (continuing)	12.31.23	12.31.22
Equity		
Share capital	66,187	66,187
Capital reserves	416,588	416,588
Hedging and translation reserves	33,664	34,119
Other reserves	524,171	501,466
Profit/(loss) attributable to the Group	50,018	23,065
Total Equity attributable to the Group	1,090,627	1,041,425
Non-current liabilities		
Provisions for risks	16,044	15,863
Deferred tax liabilities	23,741	16,218
Employee benefits	14,998	17,559
Derivative financial instruments		
Bank borrowings	79,548	148,897
Non-current lease liabilities	418,527	387,133
Others	6,844	11,540
Total non-current liabilities	559,703	597,210
Current liabilities		
Trade payables	166,088	170,597
Tax payables	15,539	13,839
Derivative financial instruments	607	1,845
Others	66,089	51,533
Banks	95,724	86,331
Current lease liabilities	103,963	96,783
Provisions for risks	1,089	2,003
Total current liabilities	449,100	422,932
Total Equity and liabilities	2,099,429	2,061,566

TOD'S Group

Consolidated Statement of Cash Flows

Unaudited

euro 000's	12.31.23	12.31.22
Profit/(Loss) for the period	50,018	23,065
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities:		
Amortizat., deprec., revaluat., and write-downs	164,775	140,403
Other non monetary expenses/(income)	21,827	13,769
Income taxes for the period	18,281	5,971
Changes in operating assets and liabilities:		
Trade receivables	(12,300)	(9,305)
Inventories	(67,927)	(41,691)
Tax receivables and tax payables	(1,593)	1,938
Trade payables	(4,509)	38,362
Other assets and liabilities	(7,579)	(18,047)
Change in reserve for employee	(674)	(619)
Cash flows from operating activities	160,316	153,845
Interests (paid)/collected	(3,022)	(5,630)
Interests (paid) on lease liabilities	(17,147)	(13,136)
Income taxes (paid)/refunded	(7,168)	(5,746)
Net cash flows from operating activities (A)	132,980	129,333
Acquisitions of intangible and tangible fixed assets	(55,777)	(45,845)
Transfers of intangible and tangible fixed assets	978	1,419
Cash flows generated (used) in investing activities (B)	(43,845)	(29,695)
Repayments of lease liabilities	(110,719)	(100,367)
Repayments of financial liabilities	(80,000)	(43,351)
Proceeds from financial liabilities	20,000	
Cash flows generated (used) in financing (C)	(170,719)	(143,718)
Translation differences (D)	10,357	3,751
Cash flows from continuing operations (E)=(A)+(B)+(C)+(D)	(82,180)	(55,059)
Cash flow from assets held for sale (F)		
Cash flows generated (used) (G)=(E)+(F)	(82,180)	(55,059)
Net cash and cash equivalents at the beginning of the period	160,647	215,706
Net cash and cash equivalents at the end of the period	78,466	160,647
Change in net cash and cash equivalents	(82,180)	(55,059)

TOD'S Group

Consolidated Statement of changes in equity

Unaudited

Year 23 euro 000's	Share Capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Total
Balances as of 01.01.23	66,187	416,588	34,119	524,531	1,041,425
Profit & Loss account				50,018	50,018
Directly in equity			(455)	(161)	(617)
Total Comprehensive Income			(455)	49,856	49,401
Dividend paid					
Capital increase					
Share based payments					
Other ⁽¹⁾				(200)	(200)
Balances as of 12.31.23	66,187	416,588	33,664	574,189	1,090,627

Year 22 euro 000's	Share Capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Total
Balances as of 01.01.22	66,187	416,588	15,258	500,503	998,535
Profit & Loss account				23,065	23,065
Directly in equity			18,861	964	19,825
Total Comprehensive Income			18,861	24,029	42,890
Dividend paid					
Capital increase					
Share based payments					
Other					
Balances as of 12.31.22	66,187	416,588	34,119	524,532	1,041,425

Notes:

(1) They mainly include the use of the specific reserve for promoting territorial solidarity projects.

TOD'S S.p.A.

Income Statement

Unaudited

euro 000's	Year 23	Year 22
Revenues		
Sales revenues (1)	722,179	651,170
Other income	14,083	17,541
Total revenues and income	736,262	668,711
Operating costs		
Change in inventories of work in progress and finished goods	45,738	18,030
Cost of raw materials, supplies and material for consumption	(234,172)	(207,124)
Costs for services	(257,736)	(212,438)
Costs of use of third party assets	(31,556)	(27,248)
Personnel costs	(125,006)	(113,818)
Other operating charges	(19,837)	(16,695)
Amortisation and depreciation	(48,512)	(44,934)
Write downs/Reversing of assets	(630)	(693)
Total operating costs	(671,711)	(604,920)
EBIT	64,551	63,791
Financial income and expenses		
Financial income	37,122	40,799
Financial expenses	(48,973)	(60,543)
Total financial income (expenses)	(11,851)	(19,744)
Income (losses) from equity investments	(3,863)	18,515
Profit before taxes	48,837	62,562
Income taxes	(9,793)	(4,072)
Profit for the period	39,045	58,491
EPS (Euro)	1.18	1.77
EPS diluted (Euro)	1.18	1.77

Note:

(1) Sales revenues include transactions with Group's entities for 278.3 and 278.8 million euros, respectively, in the fiscal year 2023 and 2022.

TOD'S S.p.A.
Statement of Comprehensive Income

Unaudited

euro 000's	Year 23	Year 22
Profit/(loss) for the period (A)	39,045	58,491
Other Comprehensive Income that will be reclassified subsequently to profit and loss:		
Gain/(Losses) on derivative financial instruments (cash flow hedge)	(5,229)	13,657
Total other Comprehensive Income that will be reclassified subsequently to profit and loss (B)	(5,229)	13,657
Other Comprehensive Income that will not be reclassified subsequently to profit and loss:		
Cumulated actuarial gains/losses) on defined benefit plans	(147)	925
Total other Comprehensive Income that will not be reclassified subsequently to profit and loss (C)	(147)	925
Total Comprehensive Income (A)+(B)+(C)	33,669	73,072

TOD'S S.p.A.
Statement of Financial Position
Unaudited

euro 000's	12.31.23	12.31.22
Non current assets		
<i>Right of use assets</i>		
Right of use assets	197,638	177,255
Total right of use assets	197,638	177,255
<i>Intangible fixed assets</i>		
Assets with indefinite useful life	139,219	139,219
Others	29,261	26,072
Total intangible fixed assets	168,480	165,291
<i>Tangible fixed assets</i>		
Buildings and land	50,471	52,230
Plant and machinery	9,494	8,558
Equipment	8,307	8,354
Leasehold improvement	5,731	5,558
Others	7,747	7,624
Total property, plant and equipment	81,751	82,324
<i>Other assets</i>		
Investments properties	1	5
Investments in subsidiaries	507,724	510,361
Deferred tax assets	59,572	62,412
Others	17,939	17,168
Derivatives financial instruments	1,370	6,472
Total other assets	586,606	596,417
Total non-current assets	1,034,476	1,021,288
Current assets		
Inventories	272,707	226,514
Trade receivables (1)	222,339	203,225
Tax receivables	6,780	9,671
Derivative financial instruments	10,968	9,563
Others	77,984	62,004
Cash and cash equivalents	12,698	71,440
Total current assets	603,475	582,418
Total assets	1,637,951	1,603,706

to be continued

Note:

(1) Trade receivables include receivables from Group's entities for 152.0 and 143.0 million euros, respectively, at December 31st, 2023 and December 31st, 2022.

continuing

euro 000's	12.31.23	12.31.22
Shareholders' equity		
Share capital	66,187	66,187
Capital reserves	416,507	416,507
Hedging reserve	6,719	11,948
Other reserves	404,491	346,378
Profit/(Loss) for the period	39,045	58,491
Shareholders' equity	932,948	899,510
Non-current liabilities		
Provisions for risks	7,465	7,496
Employee benefits	8,264	9,788
Bank borrowings	79,524	148,897
Non-current lease liabilities	179,662	159,731
Others	25,793	24,568
Total non-current liabilities	300,708	350,480
Current liabilities		
Trade payables (2)	166,524	167,494
Tax payables	9,383	8,689
Derivative financial instruments	576	836
Others	84,948	71,062
Bank borrowings	114,409	79,268
Current lease liabilities	28,454	25,767
Provisions for risks		600
Total current liabilities	404,295	353,716
Total Shareholders' equity and liabilities	1,637,951	1,603,706

Note:

(2) Trade payables include payables to Group's entities for 35.9 and 31.8 million euros, respectively, at December 31st, 2023 and December 31st, 2022.

TOD'S S.p.A.
Statement of Cash Flows
Unaudited

euro 000's	12.31.23	12.31.22
Profit/(Loss) for the period	39,045	58,491
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities:		
Amortizat., deprec., revaluat., and write-downs	53,141	40,220
Other non monetary expenses/(income)	12,974	3,323
Income taxes for the period	9,793	4,072
Changes in operating assets and liabilities:		
Trade receivables	(18,860)	(43,876)
Inventories	(47,046)	(23,577)
Tax receivables and tax payables	(2,116)	2,537
Trade payables	(970)	24,312
Other assets and liabilities	(257)	1,455
Change in reserve for employee	(261)	(660)
Cash flows from operating activities	45,443	66,296
Interests (paid)/collected	(2,506)	(5,307)
Interests (paid) on lease liabilities	(6,602)	(4,952)
Income taxes (paid)/refunded	(1,251)	(1,251)
Net cash flows from operating activities (A)	35,083	54,786
Acquisitions of intangible and tangible fixed assets	(24,232)	(19,424)
Transfers of intangible and tangible fixed assets	687	412
(Increase) decrease of equity investments	(1,263)	(2,359)
Reduction (increase) of other non-current assets	(770)	58
Cash flows generated (used) in investing activities (B)	(25,578)	(21,312)
Loans to subsidiaries	19,133	(9,044)
Repayments of lease liabilities	(27,382)	(25,249)
Repayments of financial liabilities	(80,000)	(40,000)
Proceeds from financial liabilities	20,000	
Cash flows generated (used) in financing (C)	(68,249)	(74,292)
Translation differences (D)		
Cash flows from continuing operations (E)=(A)+(B)+(C)+(D)	(58,744)	(40,819)
Cash flow from assets held for sale (F)		
Cash flows generated (used) (G)=(E)+(F)	(58,744)	(40,819)
Net cash and cash equivalents at the beginning of the period	71,440	112,259
Net cash and cash equivalents at the end of the period	12,698	71,440
Change in net cash and cash equivalents	(58,744)	(40,819)

TOD'S S.p.A.**Statement of changes in Equity***Unaudited*

Year 2023 euro 000's	Share capital	Capital reserves	Hedging reserve	Retained earnings	Total
Balances as of 01.01.23	66,187	416,507	11,948	404,868	899,511
Profit & Loss account				39,045	39,045
Directly in equity			(5,229)	(147)	(5,376)
Total Comprehensive Income			(5,229)	38,898	33,669
Dividends					
Capital increase					
Share based payments					
Other ⁽¹⁾				(232)	(232)
Balances as of 12.31.23	66,187	416,507	6,719	443,535	932,948

Year 2022 euro 000's	Share capital	Capital reserves	Hedging reserve	Retained earnings	Total
Balances as of 01.01.22	66,187	416,507	(1,709)	345,453	826,438
Profit & Loss account				58,491	58,491
Directly in equity			13,657	925	14,582
Total Comprehensive Income			13,657	59,416	73,072
Dividends					
Capital increase					
Share based payments					
Other					
Balances as of 12.31.22	66,187	416,507	11,948	404,868	899,511

Notes:

(1) They include the use of the specific reserve for promoting territorial solidarity projects.